GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:57
ANSWERED ON:10.08.2007
RECAPITALISE THE AILING RRB
Chowdhury Shri Adhir Ranjan;Nikhil Kumar Shri

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to recapitalise the ailing regional rural banks in the country;

(b) if so, the details therof;

(c) whether the Union Government has asked the State Governments to infuse 15 percent of the recapitalisation package; and

(d) if so, the reaction of the State Governments in this regard and the time by which the regional rural banks would be fully recapitalised?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (d) :- It has been decided to recapitalise RRBs having negative net worth, in a phased manner. As per provisional figures(unaudited) for March 31, 2007, there were 29 RRBs having negative net worth, comprising 11 amalgamated RRBs and 18 stand alone RRBs. The modalities of the recapitalization are being worked out.